

110TH CONGRESS  
1ST SESSION

# S. 1268

To provide for the development and inventory of certain outer Continental Shelf resources.

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IN THE SENATE OF THE UNITED STATES

MAY 2, 2007

Mr. DORGAN (for himself and Mr. CRAIG) introduced the following bill; which was read twice and referred to the Committee on Energy and Natural Resources

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## A BILL

To provide for the development and inventory of certain outer Continental Shelf resources.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Domestic Offshore En-  
5 ergy Security Act”.

6 **SEC. 2. DEVELOPMENT AND INVENTORY OF CERTAIN**  
7 **OUTER CONTINENTAL SHELF RESOURCES.**

8 (a) **DEFINITION OF UNITED STATES PERSON.**—In  
9 this section, the term “United States person” means—

1           (1) any United States citizen or alien lawfully  
2       admitted for permanent residence in the United  
3       States; and

4           (2) any person other than an individual, if 1 or  
5       more individuals described in paragraph (1) own or  
6       control at least 51 percent of the securities or other  
7       equity interest in the person.

8       (b) AUTHORIZATION OF ACTIVITIES AND EXPORTS  
9       INVOLVING HYDROCARBON RESOURCES BY UNITED  
10      STATES PERSONS.—Notwithstanding any other provision  
11     of law (including a regulation), United States persons (in-  
12     cluding agents and affiliates of those United States per-  
13     sons) may—

14           (1) engage in any transaction necessary for the  
15       exploration for and extraction of hydrocarbon re-  
16       sources from any portion of any foreign exclusive  
17       economic zone that is contiguous to the exclusive  
18       economic zone of the United States; and

19           (2) export without license authority all equip-  
20       ment necessary for the exploration for or extraction  
21       of hydrocarbon resources described in paragraph (1).

22       (c) TRAVEL IN CONNECTION WITH AUTHORIZED HY-  
23       DROCARBON EXPLORATION AND EXTRACTION ACTIVI-  
24       TIES.—Section 910 of the Trade Sanctions Reform and

1 Export Enhancement Act of 2000 (22 U.S.C. 7209) is  
 2 amended by inserting after subsection (b) the following:

3 “(c) GENERAL LICENSE AUTHORITY FOR TRAVEL-  
 4 RELATED EXPENDITURES BY PERSONS ENGAGING IN  
 5 HYDROCARBON EXPLORATION AND EXTRACTION ACTIVI-  
 6 TIES.—

7 “(1) IN GENERAL.—The Secretary of the  
 8 Treasury shall, authorize under a general license the  
 9 travel-related transactions listed in section  
 10 515.560(c) of title 31, Code of Federal Regulations,  
 11 for travel to, from or within Cuba in connection with  
 12 exploration for and the extraction of hydrocarbon re-  
 13 sources in any part of a foreign maritime Exclusive  
 14 Economic Zone that is contiguous to the United  
 15 States’ Exclusive Economic Zone.

16 “(2) PERSONS AUTHORIZED.—Persons author-  
 17 ized to travel to Cuba under this section include full-  
 18 time employees, executives, agents, and consultants  
 19 of oil and gas producers, distributors, and ship-  
 20 pers.”.

21 (d) MORATORIUM OF OIL AND GAS LEASING IN CER-  
 22 TAIN AREAS OF THE GULF OF MEXICO.—

23 (1) IN GENERAL.—Section 104(a) of the Gulf  
 24 of Mexico Energy Security Act of 2006 (43 U.S.C.  
 25 1331 note; Public Law 109–432) is amended—

1 (A) by striking paragraph (1);

2 (B) in paragraph (2), by striking “125  
3 miles” and inserting “45 miles”;

4 (C) in paragraph (3), by striking “100  
5 miles” each place it appears and inserting “45  
6 miles”; and

7 (D) by redesignating paragraphs (2) and  
8 (3) as paragraphs (1) and (2), respectively.

9 (2) REGULATIONS.—

10 (A) IN GENERAL.—The Secretary of the  
11 Interior shall promulgate regulations that es-  
12 tablish appropriate environmental safeguards  
13 for the exploration and production of oil and  
14 natural gas on the outer Continental Shelf.

15 (B) MINIMUM REQUIREMENTS.—At a min-  
16 imum, the regulations shall include—

17 (i) provisions requiring surety bonds  
18 of sufficient value to ensure the mitigation  
19 of any foreseeable incident;

20 (ii) provisions assigning liability to the  
21 leaseholder in the event of an incident  
22 causing damage or loss, regardless of the  
23 negligence of the leaseholder or lack of  
24 negligence;

1 (iii) provisions no less stringent than  
2 those contained in the Spill Prevention,  
3 Control, and Countermeasure regulations  
4 promulgated under the Oil Pollution Act of  
5 1990 (33 U.S.C. 2701 et seq.);

6 (iv) provisions ensuring that—

7 (I) no facility for the exploration  
8 or production of resources is visible to  
9 the unassisted eye from any shore of  
10 any coastal State; and

11 (II) the impact of offshore pro-  
12 duction facilities on coastal vistas is  
13 otherwise mitigated;

14 (v) provisions to ensure, to the max-  
15 imum extent practicable, that exploration  
16 and production activities will result in no  
17 significant adverse effect on fish or wildlife  
18 (including habitat), subsistence resources,  
19 or the environment; and

20 (vi) provisions that will impose sea-  
21 sonal limitations on activity to protect  
22 breeding, spawning, and wildlife migration  
23 patterns.

24 (3) CONFORMING AMENDMENT.—Section 105  
25 of the Department of the Interior, Environment, and

1       Related Agencies Appropriations Act, 2006 (Public  
 2       Law 109–54; 119 Stat. 521) (as amended by section  
 3       103(d) of the Gulf of Mexico Energy Security Act of  
 4       2006 (43 U.S.C. 1331 note; Public Law 109–432))  
 5       is amended by inserting “and any other area that  
 6       the Secretary of the Interior may offer for leasing,  
 7       preleasing, or any related activity under section 104  
 8       of that Act” after “2006”).

9       (e) INVENTORY OF OUTER CONTINENTAL SHELF OIL  
 10      AND NATURAL GAS RESOURCES OFF SOUTHEASTERN  
 11      COAST OF THE UNITED STATES.—

12           (1) IN GENERAL.—The Secretary of the Inte-  
 13      rior (referred to in this subsection as the “Sec-  
 14      retary”) may conduct an inventory of oil and natural  
 15      gas resources beneath the waters of the outer Conti-  
 16      nental Shelf (as defined in section 2 of the Outer  
 17      Continental Shelf Lands Act (43 U.S.C. 1331)) off  
 18      of the coast of the States of Virginia, North Caro-  
 19      lina, South Carolina, or Georgia in accordance with  
 20      this subsection.

21           (2) BEST AVAILABLE TECHNOLOGY.—In con-  
 22      ducting the inventory, the Secretary shall use the  
 23      best technology available to obtain accurate resource  
 24      estimates.

1           (3) REQUEST BY GOVERNOR.—The Secretary  
 2           may conduct an inventory under this subsection off  
 3           the coast of a State described in paragraph (1) only  
 4           if the Governor of the State requests the inventory.

5           (4) REPORTS.—The Secretary shall submit to  
 6           Congress and the requesting Governor a report on  
 7           any inventory conducted under this subsection.

8           (5) AUTHORIZATION OF APPROPRIATIONS.—  
 9           There are authorized to be appropriated such sums  
 10          as are necessary to carry out this subsection.

11          (f)     ENHANCED     OIL     RECOVERY.—Section  
 12   354(c)(4)(B) of the Energy Policy Act of 2005 (42 U.S.C.  
 13   15910(c)(4)(B)) is amended—

14               (1) in clause (iii), by striking “and” at the end;

15               (2) in clause (iv), by striking the period at the  
 16          end and inserting “; and”; and

17               (3) by adding at the end the following:

18                       “(v) are carried out in geologically  
 19                       challenging fields.”.

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